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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 1992

Commission file number 0-18335

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TETRA Technologies, Inc.

(Exact name of registrant as specified in its charter)

DELAWARE	74-2148293
(State of incorporation)	(I.R.S. Employer Identification No.)

25231 Grogans Mill Road, Suite 100, The Woodlands, Texas 77380
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (713) 367-1983

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ___

As of May 1, 1992 there were 12,446,556 shares of the Company's common stock, $.01 par value per share, issued and outstanding.

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ITEM 1. Financial Statements

TETRA Technologies, Inc. and Subsidiaries
Consolidated Statements of Operations

($ Thousands)	Three Months Ended March 31, 1991	1992
Revenues:		
Product sales	$13,609	$10,148
Services	3,468	2,402
Rentals	281	195
Total Revenues	17,358	12,745
Cost of Revenues:		
Cost of product sales	8,998	7,310
Cost of services	1,184	1,198
Cost of rentals	55	29
Total Cost of Revenues	10,237	8,537
Gross Profit	7,121	4,208
General and Administrative	4,758	5,154
Provision for Doubtful Accounts	0	27
Operating Income	2,363	(973)
Interest Expense	217	189
Interest Income	385	461
Equity in Earnings from Joint Ventures	0	212
Income Before Income Taxes	2,531	(489)
Provision for Income Taxes	870	(187)
Net Income (Loss)	$1,661	($302)
Net Income (Loss) per Common and Common Equivalent Share	$0.14	($0.02)
Weighted Average Common and Common Equivalent Shares Outstanding	11,866	12,640

See Notes to Consolidated Financial Statements

TETRA Technologies, Inc. and Subsidiaries
Consolidated Balance Sheets

($ Thousands)	December 31, 1991	March 31, 1992 (Unaudited)
Current Assets:		
Cash	$7,494	$7,497
Marketable Securities, net of allowance for unrealized losses of $122,000 in 1991 and $181,000 in 1992	24,875	20,807
Trade accounts receivable, net of allowance for doubtful accounts of $344,000 in 1991 and $372,000 in 1992	21,456	15,087
Costs and estimated earnings in excess of billings on incomplete contracts	5,574	2,165
Inventories	6,067	7,640
Prepaid expenses	447	994
Current portion of notes receivable	446	943
Other	104	42
Total Current Assets	66,463	55,175
Property, Plant and Equipment:		
Machinery, Equipment and Office Building	12,277	15,208
Automobiles and trucks	3,117	3,102
Treatment plants	3,193	5,443
Chemical plants	12,365	12,365
Construction in progress	5,874	4,778
	36,826	40,896
Less accumulated depreciation and amortization	(10,315)	(11,187)
Net Property, Plant, and Equipment	26,511	29,709
Other Assets:		
Patents and licenses, net of accumulated amortization of $320,000 in 1991 and $351,000 in 1992	907	877
Investment in Joint Ventures	3,617	3,641
Cost in excess of net assets acquired, net of accumulated amortization of $18,000 in 1991 and $28,000 in 1992	472	847
Notes receivable, less current portion	1,316	2,287
Other	154	191
Total Other Assets	6,466	7,843
	$99,440	$92,727

See Notes to Consolidated Financial Statements

TETRA Technologies, Inc. and Subsidiaries
Consolidated Balance Sheets

($ Thousands)	December 31, 1991	March 31, 1992 (Unaudited)
LIABILITIES, AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Trade accounts payable and accrued expenses	$15,328	$9,125
Billings in excess of costs and estimated earnings on incomplete contracts	61	62
Current portions of all long-term debt and capital lease obligations	1,777	1,771
Total Current Liabilities	17,166	10,958
Long-term Debt, less current portion	4,758	4,491
Capital Lease Obligations, less current portion	1,087	983
Deferred Credits	679	651
Deferred Income Taxes	2,371	2,064
Stockholders' Equity:		
Common stock, par value $.01 per share 20,000,000 shares authorized, with 12,320,006 shares issued and outstanding in 1991 and 12,446,556 shares issued and outstanding in 1992	123	126
Additional paid-in capital	59,088	59,588
Retained earnings	14,168	13,866
Total Stockholders' Equity	73,379	73,580
	$99,440	$92,727

See Notes to Consolidated Financial Statements

TETRA Technologies, Inc. and Subsidiaries
Consolidated Statements of Cash Flows

($ Thousands)	Three Months Ended March 31, (Unaudited) 1991	1992
Operating Activities:		
Net Income (Loss)	$1,661	($302)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	907	1,067
Undistributed earnings from joint ventures	0	(212)
Provision for deferred income taxes	286	0
Unrealized loss on marketable securities valuation	0	58
Provision for doubtful accounts	0	27
(Gain) Loss on sale of property, plant and equipment	0	(3)
Changes in operating assets and liabilities, net of effects from acquisition of subsidiary:		
Trade accounts receivable	(3,981)	6,340
Costs and estimated earnings in excess of billings on incomplete contracts	2,200	3,409
Inventories	(668)	(1,573)
Prepaid expenses and other current assets	(753)	(484)
Trade accounts payable and accrued expenses	(747)	(5,081)
Billings in excess of costs and estimated earnings on incomplete contracts	(142)	1
Other	(111)	(65)
Net cash provided (used) by operating activities	(1,348)	3,182
Investing Activities:		
Purchases of property, plant and equipment	(1,459)	(4,290)
Sale of marketable securities	0	4,067
Investment in Joint Venture	0	(1,300)
Cash of TSI acquisition	310	0
Principal payments on notes receivable	127	37
Notes receivable issued	0	(1,505)
Proceeds from sale of property, plant and equipment	0	22
Net cash used by investing activities	(1,022)	(2,969)
Financing Activities:		
Proceeds from long-term debt and exercised stock options	30	110
Principal payments on long-term debt, capital lease obligations and convertible notes payable	(287)	(322)
Proceeds from sale of common stock	16,698	2
Net cash provided by financing activities	16,441	(210)
Increase (Decrease) in cash	14,071	3
Cash and Cash Equivalents at Beginning of Period	18,255	7,494
Cash and Cash Equivalents at End of Period (1)	$32,326	$7,497

Acquisition Note: In January 1991, the Company acquired all the stock of TSI for 140,000 shares of common stock valued at $1,960,000. The fair market value of the assets acquired was $2,729,000 and assumed liabilities were $769,000. In January 1992, all the stock of MSE, Inc. was acquired for 30,000 shares of common stock valued at $390,000.

(1)Excludes marketable securities with a maturity greater than 90 days of $0 and $20.8 million at March 31, 1991 and 1992, respectively.

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

NOTE A - BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly-owned. The Company's investment in its joint ventures is stated at cost plus equity in undistributed earnings. All significant intercompany balances and transactions have been eliminated in consolidation.

The accompanying unaudited consolidated financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X for interim financial statements required to be filed with the Securities and Exchange Commission and do not include all information and footnotes required by generally accepted accounting principles for complete financial statements. However, the information furnished reflects all normal recurring adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods.

The accompanying financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 1991.

For the purposes of the statements of cash flows, the Company considers all highly liquid cash investments with a maturity of three months or less to be cash equivalents.

Interest paid on debt during the quarters ended March 31, 1992 and 1991 was $189,000 and $217,000, respectively.

Income tax payments made during the quarters ended March 31, 1992 and 1991 were $122,000 and $1,015,000, respectively.

NOTE B - CLOSING OF PUBLIC OFFERING

On March 14, 1991, the Company effected a public offering of 1,000,000 shares of its common stock at $17.75 per share. Net proceeds after underwriting discounts, commissions and other related expenses were approximately $16.5 million. Concurrent with the offering, selling shareholders sold 2,220,000 shares for net proceeds of $37,229,000.

NOTE C - COMMITMENTS AND CONTINGENCIES

In May 1988, the Company purchased certain bromine assets from Dow Chemical Company ("Dow"). These assets were purchased by the Company under an antitrust divestiture order associated with Dow's sale of its bromine business. The Dow assets include a clear brine fluid manufacturing plant constructed in 1986 (the "Magnolia Plant"), various patents and related products, and certain lease and lease option rights. The plant has been idle since the last quarter of 1986. The Company purchased the assets from Dow for a contingent amount equal to one-third of the after-tax profits generated by the operating assets during a ten-year period ending in 1998. The contingent amount should in no event exceed $2 million plus interest at the ten-year Treasury rate plus 50 basis points.

The Company must operate the Magnolia Plant at a minimal rate of output for a twelve-month period by May 1993, or pay Dow an amount in settlement of the contingent payments to avoid triggering a repurchase right held by Dow. Management estimates that a substantial capital investment will be required by the Company to bring the plant into full operation. A sale of these assets by the Company before the plant becomes fully

operational will require governmental approval under the Dow antitrust divestiture order and must also comply with the Company's purchase agreement with Dow.

Because the obligation is contingent in nature, no asset or liability was recorded when the transaction was consummated. Annually, when the earnings from these assets are known and the Company's payment to Dow can be estimated, a liability will be recorded and the value of the assets will be increased by the same amount. The asset values recorded in this manner will be amortized over their remaining useful lives. Since the Company's acquisition, no earnings have been generated from these assets and, accordingly, no obligation to Dow has been accrued. Capitalized costs relating to the Magnolia Plant were approximately $1.0 million at December 31, 1991 and March 31, 1992.

Under a supply contract, the Company is committed to purchase a minimum of 40,000 tons of limestone at $15.85 per ton from a certain supplier by April 30, 1992.

The Company is a defendant in two related actions filed in the Superior Court of California, *Franciscan Promenade, et al. v. Woodward-Clyde Consultants, et al.* and *Crossland Savings F.S.B. v. Woodward-Clyde Consultants, etc., et al.* Each of these actions relates to certain remediation project design services provided by a division of the Company's waste treatment business that was discontinued in 1989.

Plaintiffs in the *Franciscan Promenade* action owned certain real estate property in Los Angeles which was to be developed as a shopping center. Crossland Savings, F.S.B. ("Crossland") was the lender to these plaintiffs. Plaintiffs in the *Franciscan Promenade* action have attempted to allege causes of action for breach of contract and fraud, based, among other things, on an alleged agreement by the Company to inspect the property and provide plaintiffs with consulting services with respect to the development of a system for waste washing and remediation of lead-contaminated soils on the property. The plaintiffs also alleged various misrepresentations regarding the performance capabilities of the system. Plaintiffs allege that as a result of the alleged fraud, they purchased the property for $24 million, a price allegedly far in excess of its true fair market value, expended millions of dollars to clean up the property and incurred other expenses. General, special and punitive damages are sought. In answers to interrogatories, plaintiffs have identified damage elements amounting to $28.9 million. These damages are as to all defendants and arise from the remediation of two types of environmental contamination, below ground and above ground. At present, the defendants have not indicated what portion of their claimed damages are attributable to each type of remediation. TETRA was only involved in below-ground remediation. Additionally, some of the damages claimed would not appear to be recoverable as a matter of law.

In the *Crossland Savings* action, Crossland Savings alleges, among other things, that it was foreseeable to the Company that a lender such as Crossland would rely on the Company's alleged representations, reports and recommendations in deciding whether to loan money to fund the property's development and that, accordingly, the Company is liable to Crossland based on the Company's alleged professional negligence and negligent misrepresentations. The alleged negligence includes purported inadequate testing and analysis and underestimation of the lead contamination of the soil on the property and recommending an untested and unworkable remediation method. In answers to interrogatories, Crossland claims its damages include all sums that it has loaned to Franciscan Promenade (according to the complaint, an alleged approximately $55 million), a $2 million unsecured loan to the developer, unpaid interest on such sums plus other purported damages in unspecified amounts. As with the Franciscan Promenade action, the alleged damages arise from unanticipated environmental remediation of below and above ground contamination. Crossland also has not indicated any allocation between these two elements of damages. Additionally, a recent appraisal of the property indicates that it has a current fair market value of approximately $36 million. On January 23, 1992, the Office of Thrift Supervision appointed the FDIC as receiver of Crossland Savings Bank. All proceedings in the Crossland Savings action have been stayed for 90 days, and counsel for the Company is of the opinion that the FDIC will seek to resolve this matter during this time period.

The Company has answered the complaint in each of the *Franciscan Promenade* and *Crossland* actions, and, in the former action, has cross-complained against one of the plaintiffs in that action and other parties for indemnity, contribution and declaratory relief. The Company's present intention is to defend each of these

actions vigorously. It is management's belief that plaintiff's claims are without merit and that responsibility for the damages allegedly suffered by the plaintiffs in each of these actions lies with other parties. However, discovery activities have only recently begun and counsel for the Company in these matters has advised that it is unable to form a judgement as to the probable outcome of these actions. No assurance can be given by the Company as to their ultimate outcome.

The Company and other related companies are named as defendants in several other lawsuits and respondents in certain governmental proceedings arising in the ordinary course of business. While the outcome of lawsuits and other proceedings against the Company cannot be predicted with certainty, management does not expect these matters to have a material adverse impact on the Company.

NOTE D - ACQUISITION OF TETRA SERVICES, INC.

In January 1991, the Company purchased Tetra Services, Inc. (TSI) for 140,000 shares of common stock; the shares were valued at $14.00 per share. TSI is an oil field equipment, supplies and services provider in south Texas. The acquisition has been accounted for under the purchase method of accounting. Pro forma information with respect to the acquisition of TSI has not been presented as such amounts are not material. Goodwill associated with this acquisition is being amortized over 20 years using the straight line method.

NOTE E- ACQUISITION OF MSE, INC.

In January 1992, the Company purchased MSE, Inc. for 30,000 shares of common stock valued at $13.00 per share. MSE is a specialist engineering company in materials handling and provides custom designed systems to the environmental, mining, power, refining and food processing industries. Revenues for MSE for the most recent fiscal year were approximately $2.5 million. The acquisition has been accounted for under the purchase method of accounting. Pro forma information with respect to the acquisition of MSE has not been presented as such amounts are not material. Goodwill associated with the acquisition is being amortized over 20 years using the straight line method.

NOTE F - INCOME PER SHARE

The following is a reconciliation of the weighted average number of common shares outstanding with the number of shares used in the computations of income per common and common equivalent share:

	Three Months Ended March 31	
	1991	1992
Number of common shares outstanding	11,152,806	12,416,556
Public offering	200,000	
Acquisition of TSI	140,000	
Acquisition of MSE		30,000
Assumed exercise of stock options	372,826	193,827
Weighted average common and common equivalent shares outstanding	11,865,632	12,640,383

In applying the treasury stock method to determine the dilutive effect of the stock options outstanding during the first quarter of 1992, the average market price of $13.26 was used.

ITEM 2: Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations

Three months ended March 31, 1992 compared with three months ended March 31, 1991

Total revenues for the quarter ended March 31, 1992 were $12.7 million as compared to $17.4 million for the quarter ended March 31, 1991, representing a decrease of $4.7 million or 27.0%. Revenues in the Specialty Chemicals Recycling Division decreased from $13.8 million in 1991 to $9.4 million in 1991, a decrease of $4.4 million or 31.9%. The decline in the oil and gas group's revenues represented the majority of this decrease. Drilling activity in the Gulf of Mexico was down significantly from the 1991 period. Many oil and gas companies placed significant portions of their budgeted exploration and production expenditures for domestic projects on hold. Additionally, excessive rains in the onshore horizontal drilling region of Texas caused temporary delays in horizontal drilling activity, which further contributed to the oil and gas group's decline in revenues. The Specialty Chemicals Recycling Division's revenues were also adversely affected by reduced demand for snow and ice melt calcium chloride as a result of the warm weather this past winter. The Waste Treatment Division's revenues of $3.3 million for the 1992 period were down slightly from $3.6 million in the 1991 period, a decrease of $0.3 million or 8.3%.

Gross profit decreased from $7.1 million in the 1991 period to $4.2 million in the 1992 period, a decrease of $2.9 million or 40.8%. Gross profit as a percentage of revenues decreased from 41.0% in the 1991 quarter to 33.0% in the 1992 quarter as a result of a deterioration of the gross profit percentage in the Waste Treatment Division. The division's profit percentage dropped from 39.8% in the 1991 period to 7.1% in the 1992 period due to several factors. Cost overruns were experienced on two significant EPC projects, which effectively reduced gross margins. Reduced production volumes, due principally to weather and operational constraints, at a major owned and operated facility resulted in lower than normal operating margins for that plant. Finally, the national recession resulted in additional pricing pressures on recently acquired contracts in the Waste Treatment Division's key industries, particularly steel, mining and municipal, eroding the current period's gross margins compared with the 1991 period. Gross margins as a percentage of revenues for the Specialty Chemicals Recycling Division increased slightly from 41.3% in the 1991 period to 41.9% in the 1992 period.

General and administrative expenses increased from $4.8 million in the 1991 period to $5.2 million in the 1992, an increase of $0.4 million or 8.3%. This increase was due primarily to increased personnel costs and related benefits associated with an increase in sales and project management personnel in the Waste Treatment Division. Additionally, project proposal costs have increased commensurate with the increase in bidding activity for waste treatment projects. The costs of workers' compensation insurance has also increased for the Company.

Operating income decreased from $2.3 million in the 1991 quarter to a loss of $1.0 million in the 1992 quarter, a decrease of $3.3 million. This decrease from period to period is the result of a $1.9 million reduction in the gross margin attributable to reduced revenue levels and a $1.0 million negative impact on the gross margin as a result of a decline in the gross margin rates combined with a $0.4 million increase in general and administrative expenses.

Interest expense decreased slightly from $217,000 in the 1991 period to $189,000 in the 1992 period, reflecting a commensurate decrease in total long-term debt period to period. Interest income increased from $385,000 in 1991 to $461,000 in 1992. Interest earned on the $16.5 million in proceeds from the March 1991 secondary stock offering, offset somewhat by the decline in interest rates since last year, substantially accounted for the increase quarter to quarter.

Equity in earnings from joint ventures increased from $0 in 1991 to $212,000 in 1992. In May 1991, the Company formed Milpark/TETRA, a joint venture with Milpark, to penetrate the Alaskan and international oil and gas completion fluids markets. Effective October 1991, the Company entered into a joint venture agreement with a major United Kingdom water company to form TETRA Europe Ltd. The venture was formed to market

the Company's waste treatment services in the United kingdom and Europe. The Company has a 50% interest in both joint ventures.

The provision for income taxes was at a 34.4% effective tax rate in the 1991 quarter and a 38.2% tax rate in the 1992 quarter. The change in tax rates was affected by a shift in apportioned state income to higher tax rate states.

Net income after applicable taxes was $1.7 million in 1991 and a net loss of $0.3 million in 1992.

Consolidated earnings per share for the 1991 period were $0.14 based on 11,866,000 weighted average common and common equivalent shares outstanding compared to loss per share of $0.02 in the 1992 period with 12,640,000 common and common equivalent shares outstanding.

Liquidity and Capital Resources

The Company's working capital decreased from $49.3 million at December 31, 1991 to $44.2 million at March 31, 1992. Trade accounts receivable decreased $6.4 million due to reduced revenues in the first quarter of 1992. Inventories increased seasonally by $1.6 million in the Specialty Chemicals Recycling Division plants. Trade payables and accrued expenses decreased by approximately $5.1 million as a result of the reduced activity in the quarter. Costs and estimated earnings in excess of billings decreased $3.4 million as various Waste Treatment Division contracts moved closer to completion. Marketable securities decreased $4.1 million during the quarter as funds were spent on capital expenditures. Marketable securities include Treasury Bills with a maturity greater than ninety days, Overland Express Funds, Inc. and the Alliance Capital Short-Term Multi-Market Trust. All other unrestricted funds are invested in overnight Master note arrangements and short-term securities.

Major investing activities during the first quarter of 1992 included the initial capital contribution of $1.3 million to the TETRA Europe Ltd. joint venture. The joint venture was formed with a major United Kingdom water company to market the Company's waste treatment services in the United Kingdom and Europe. The initial capitalization was used to purchase technology and an existing process plant facility. The Company is further committed to invest $300,000 annually for the next three years. The Company also acquired during the quarter all the common stock of MSE, Inc. for 30,000 shares of common stock valued at $13.00 per share. MSE is a specialist engineering company in material handling and provides custom designed systems to the environmental, mining, power, refining and food processing industries.

Capital expenditures during the period ending March 31, 1992 totaled approximately $4.3 million. Of this amount $2.3 million relates to the purchase of a 109,000 square foot office building and approximately 2.6 acres of adjacent land. Rent revenues from tenants offset building expenses, including depreciation, so that the current earnings impact of the building is favorable. The Company intends to relocate its corporate offices to the facility during 1992. The Company also purchased leasehold improvements relating to the acquisition of a new plant facility for the oil and gas group for approximately $0.5 million. In addition, approximately $0.8 million was expended for additional processing and plant equipment at major owned and operated Waste Treatment Division facilities and approximately $0.4 million for additions and improvements to various plants of the Specialty Chemicals Recycling Division. Other machinery and equipment for both divisions comprises the remaining $0.3 million of capital expenditures during the quarter.

The Company believes that its existing funds, its cash generated by operations and the net proceeds of its 1991 secondary offering will be sufficient to meet its working capital needs through 1992 and possibly thereafter, unless significant expansions of operations not presently contemplated are undertaken, in which case the Company would arrange additional financing as an integral part of any such expansion.

PART II
OTHER INFORMATION

ITEM 1. Legal Proceedings

In February 1989, the Company entered a guilty plea to one count of violating Section 1 of the Sherman Act for acts alleged to have occurred in the last quarter of 1986 and first quarter of 1987. A civil action, captioned *Mark Kopieczek v. Osca, Inc., et al.*, (Civil Action H-90-2386, U.S. Dist. Ct. S.D. Tex.), was commenced July 26, 1990, against the Company and Osca, Inc. The plaintiff alleges that he was injured by an alleged conspiracy to fix prices and has cited in his complaint the Department of Justice action referred to above. His complaint seeks treble damages under the Sherman Act. The Company is vigorously defending this action. While the outcome of this litigation is not certain, the Company believes that the plaintiff was never a customer or competitor of the Company and that he therefore lacks standing to bring the claims he has asserted. Moreover, the Company believes that the plaintiff's alleged damages are wholly speculative and would not be compensable under the federal antitrust laws.

The Company is a defendant in two actions filed in the Superior Court of California, *Franciscan Promenade, et al. v. Woodward-Clyde Consultants, et al.* (No. BC 013560, October 25, 1990), and *Crossland Savings, F.S.B. v. Woodward-Clyde Consultants, et al.* (No. BC 016881, December 11, 1990). Each of these actions relates to certain remediation project design services provided by a division of the Company's remediation business that was discontinued in 1989. See "Management's Discussion and Analysis - Sale of Discontinued Operations." Plaintiffs in the Franciscan Promenade action owned certain real property in Los Angeles which was to be developed as a shopping center. Crossland Savings, F.S.B. ("Crossland") was the lender to these plaintiffs. Several other defendants have been named in each of these lawsuits.

Plaintiffs in the *Franciscan Promenade* action have attempted to allege causes of action for negligence, breach of contract and fraud, based, among other things, on an alleged agreement by the Company to inspect the property and provide plaintiffs with consulting services with respect to the development of a system for waste washing and remediation of lead-contaminated soils on the property. The plaintiffs also alleged various misrepresentations regarding the performance capabilities of the system and the costs to remediate the plaintiffs' property. Plaintiffs allege that as a result of the alleged fraud, they purchased the property for $24 million, a price allegedly far in excess of its true fair market value, expended millions of dollars to clean up the property and incurred other expenses. General, special and punitive damages are sought. In answers to interrogatories, plaintiffs have identified damage elements amounting to $28.9 million. These damages are as to all defendants and arise from the remediation of two types of environmental contamination, below ground and above ground. At present, the defendants have not indicated what portion of their claimed damages are attributable to each type of remediation. TETRA was only involved in below-ground remediation. Additionally, some of the damages claimed would not appear to be recoverable as a matter of law.

In the *Crossland Savings* action, Crossland alleges, among other things, that it was foreseeable by the Company that a lender such as Crossland would rely on the Company's alleged representations, reports and recommendations in deciding whether to loan money to fund the property's development and that, accordingly, the Company is liable to Crossland based on the Company's alleged professional negligence and negligent misrepresentations. The alleged negligence includes purported inadequate testing and analysis and underestimation of the lead contamination of the soil on the property and recommending an untested and unworkable remediation method. In answers to interrogatories, Crossland claims its damages include all sums that it has loaned to Franciscan Promenade (according to the complaint, an alleged approximately $55 million), a $2 million unsecured loan to the developer, unpaid interest on such sums plus other purported damages in unspecified amounts. As with the Franciscan Promenade action, the alleged damages arise from unanticipated environmental remediation of below and above ground contamination. Crossland also has not indicated any allocation between these two elements of damages. Additionally, a recent appraisal of the property indicates that it has a current fair market value of approximately $36 million.

The Company has answered the complaint in each of the *Franciscan Promenade* and *Crossland Savings* actions, and, in the latter action, has cross-complained against one of the plaintiffs in the former action and other parties for indemnity, contribution and declaratory relief. The Company's present intention is to defend each of these actions vigorously. It is management's belief that the claims asserted against the Company in each of these actions are without merit and that any responsibility for the damages allegedly suffered by the plaintiffs lies with other parties. However, discovery activities have only recently begun and counsel for the Company in these matters has advised that it is unable at present to form a judgment as to the probable outcome of these actions. No assurance can be given by the Company as to their ultimate outcome. An adverse outcome to the Company in either of these lawsuits, if not subject to indemnity or contribution from other parties, could have a material adverse impact on the Company.

The Company, its subsidiaries and other related companies are named defendants in several lawsuits and respondents in certain governmental proceedings arising in the ordinary course of business. While the outcome of lawsuits or other proceedings against the Company cannot be predicted with certainty, management does not expect these matters to have a material adverse impact on the Company.

ITEM 6. Exhibits

(a) Exhibits

(i) A statement of computation of per share earnings is included in Note F of the Notes to Consolidated Financial Statements included in this report and is incorporated by reference into Part II of this report.

(b) Reports on Form 8-K: None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TETRA Technologies, Inc.

Date: May 5, 1992

By: _____
Edward H. Belanger
Senior Vice President -
Finance and Administration

Date: May 5, 1992

_____
James R. Hale, Chief Financial Officer
(Principal Accounting Officer)